

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Application for a Route
Permit for the Mud Lake-Wilson Lake 115kV
High Voltage Transmission Line

ISSUE DATE: September 7, 2006

DOCKET NO. ET-2/TL-06-980

ORDER ACCEPTING ROUTE PERMIT
APPLICATION AS COMPLETE,
AUTHORIZING SELECTION OF PUBLIC
ADVISOR, AND COMBINING
ENVIRONMENTAL REVIEW AND PUBLIC
HEARINGS

PROCEDURAL HISTORY

On February 28, 2006, Great River Energy (GRE or the Cooperative) filed a notice plan for this project and a petition for exemption from certain filing requirements. The matter was assigned to Docket No. ET-2/CN-06-367.

On May 15, 2006, the Commission issued its ORDER GRANTING AND DENYING EXEMPTIONS, APPROVING A NOTICE PLAN AS MODIFIED, AND CONSOLIDATING DOCKETS.

On July 14, 2006, GRE filed a compliance filing substantiating the implementation of the notice plan as required by the May 15, 2006 Order.

On July 28, 2006, Great River Energy filed an application for a certificate of need in Docket No. ET-2/CN-06-367 and a route permit application, which was assigned to the current docket, Docket No. ET-2/TL-06-980.

On August 9, 2006, the Minnesota Department of Commerce (the Department) filed comments on GRE's route permit application.¹

¹ The Department also filed comments on August 9, 2006 in the certificate of need docket on the completeness of the certificate of need application and on an appropriate administrative review process to consider the application.

The Commission met on August 17, 2006 to consider this matter.²

FINDINGS AND CONCLUSIONS

I. Summary of Action

In this Order, the Commission finds that GRE's application for a route permit is substantially complete and accepts it, authorizes the Department to name a public advisor for the route permit process, and combines certain aspects of this route application with the application for a certificate of need being considered in Docket No. ET-2/CN-06-367.

II. GRE's Route Permit Application

GRE proposed to build a new 115 kilovolt (kV) high voltage transmission line (HVTL) from the Mud Lake substation owned by Minnesota Power to the Wilson Lake Substation owned by GRE's distribution customer Mille Lacs Energy Cooperative. The length of the proposed transmission line is approximately 12 miles. GRE also proposed a 4.55 acre expansion of the Wilson Lake substation to accommodate new transmission and distribution infrastructure related to this project.

GRE's proposed route begins at the Mud Lake Substation and parallels an existing 230 kV transmission line to the Oak Lawn Substation, a distance of about 1.5 miles. At the Oak Lawn Substation, the proposed line turns eastward and runs parallel to Minnesota Trunk Highway 18 to the Wilson Lake Substation, a distance of approximately 10.5 miles.

III. The Department's Comments and Recommendations

The Department stated that it conducted a completeness review of GRE's Mud Lake to Wilson Lake route permit application and concluded that the application meets the content requirements of Minn. Rules, Part 4400.2100 and is, therefore, complete. The Department clarified that acceptance of the application would allow Department staff to initiate and conduct the public participation and environmental review process.

The Department listed several reasons why it believed that an advisory task force was unnecessary in this case. First, the Department stated, most of the proposed route follows an existing state highway or an existing high voltage transmission line. Second, the project is compatible with area land use, which comprises rural, low density, recreational, agricultural and forested lands. Third, the proposed line is relatively short. Fourth, the proposed project has been discussed in biennial transmission reports and has not generated controversy. Fifth, the alternative routing process provides adequate opportunities for citizens to identify issues and route alternatives to be addressed in the environmental assessment.

² The Commission also considered that day GRE's certificate of need application in Docket No. ET-2/CN-06-367. The Commission issued an Order in that matter on September 7, 2006.

Regarding the environmental assessment, the Department stated that the Mud Lake to Wilson Lake route permit application and the certificate of need dockets are examples where joint environmental review can provide the required review consistent with due process, an expeditious consolidated environmental analysis that is less confusing to the public.

As to the public hearings required for the routing permit proceeding and the certificate of need proceeding, the Department recommended that the Commission authorize the Department to request the Administrative Law Judge assigned to these dockets to hold joint public hearings on the two dockets.

IV. Commission Analysis and Action

Based on the Department's recommendation and its own analysis, the Commission finds that the permit application filed by GRE for the Mud Lake to Wilson Lake route is complete. The Commission clarifies that this decision simply allows the Department to initiate and conduct the public participation and environmental review processes and reflects no opinion regarding the substance of GRE's proposed route.

The Commission finds that Department's recommendation that the Commission authorize it (the Department) to appoint a public advisor is reasonable and the Commission will do so.

The Commission finds that the Department's observations that an advisory task force may not be needed in this case are plausible. Accordingly, the Commission will defer action on whether it will appoint a Task Force at this time.

Regarding the Department's proposal of a joint environmental review: if (as here) an applicant requests a route permit before the Department has completed the environmental report required in related certificate of need proceedings, Minn. Rules, Part 4410.7060 authorizes the Commission to allow the Department to prepare an environmental assessment in accordance with Minn. Rules, Part 4400.2750 in lieu of the environmental report required under Minn. Rules, Part 4410.7020. The Commission finds that it is appropriate to do so in this case. The Commission agrees with the Department that joint environmental review can provide the required review consistent with due process, an expeditious consolidated environmental analysis that is less confusing to the public.

As to the Department's proposal for a joint public hearing to consider both permitting and need issues, the Commission finds pursuant to Minn. Rules, Part 4410.7060, subp. 4 that such a joint hearing is feasible, more efficient than separate public hearings on need and routing, and may further the public interest. The Commission will therefore authorize a joint need and permitting hearing. Further, the Commission will authorize the Department and Commission staff to request the Administrative Law Judge assigned to this matter to schedule, notice, and preside over such a joint hearing.

ORDER

1. The Mud Lake to Wilson Lake transmission line route permit application submitted by Great River Energy is accepted under the alternative review process as complete.
2. The Minnesota Department of Commerce Energy Facilities Permitting staff is hereby authorized to name a public advisor in this case.
3. No action is taken on an advisory task force at this time.
4. The Commission hereby combines the environmental review documents and procedures in ET2/CN-06-3 67 and ET2/TL-06-980. The Department is authorized to initiate and conduct the environmental review process.
5. The Commission authorizes the public hearings in ET2/CN-06-367 and ET2/TL-06-980 to be held jointly.
6. The Commission hereby authorizes Department and Commission staff to request assignment of an Administrative Law Judge to schedule, notice, and preside over the joint public hearing(s) authorized in Order Paragraph 5. Department and Commission staff are further authorized to implement other actions necessary to carry out the hearing process.
7. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

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